

The Howey Political Report



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“QUOTE” OF THE WEEK

“Fraud is going to be there as long as we have people.” - Lake County Democratic Chairman Stephen Stiglich, following East Chicago Mayor Robert Pastrick’s court victory (Times of Northwest Indiana)

Simon furthers financier takeover

A dash of the jet set into state politics

By **BRIAN A. HOWEY** in Indianapolis

About two weeks ago, Democratic gubernatorial candidates Joe Andrew and Vi Simpson met privately for the first time since their increasingly acrimonious fight for the nomination began.

“It was fairly brief and cordial,” Simpson explained Wednesday noon as she dined at the Working Man’s Pub on the West Side of Indianapolis. “He invited me to be his lieutenant governor and I returned the favor. We talked about which one of us was best qualified, made our points and we parted.”

While the Statehouse grapevines hummed about the potential of a unity ticket, that was as close as it ever got.

This morning, Andrew put one leg of the 2004 gubernatorial campaign in the jet set and signalled a further shift of an Indiana political takeover by the financial wings of each party, selecting Bren Simon to be his running mate.

In a Democratic Party that has given us political figures such as Frank O’Bannon and Robert Rock, Simon becomes a clear, almost rapturous, departure from the pre- and post-Ann DeLaney good ol’ boy days.

And it extends an erosion of the Statehouse as the feeder system into gubernatorial politics that began when Jim Kittle Jr., Bob Grand and Randy Tobias commenced a reformist wave to capture the leadership of the Republican Party in 2002 after forming the Phoenix Group. The GOP’s financiers were tired of funding losing elections. It continued with the courtship of Mitch Daniels, a man whose estimated worth is \$30 million and who many believe is the odds-on favorite to win his party’s gubernatorial nomination.

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Covering 10 years of Indiana politics

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SEN. SKILLMAN HASN'T THOUGHT ABOUT LG RACE: We've heard it both ways, that State Sen. Becky Skillman, R-Bedford, either is or isn't interested in the Republican lieutenant governor nomination in 2004. We asked her via e-mail and she responded this morning, "I have not yet given that idea the serious consideration it deserves." HPR's take on that from perhaps the most intriguing female LG candidate the Republicans have is that she's open to an offer. Skillman was seated directly in front of Mitch Daniels when he spoke at the February Boone County Lincoln Day Dinner in Lebanon, leading some to believe she was openly angling for the nomination, though not a declared candidate like State Sen. David Ford, R-Hartford City. Today's elevation of Bren Simon as Joe Andrew's LG candidate will only increase speculation on Skillman. The fact that both Andrew and Simon reside in Hamilton County might be enough to break the geographical barrier that says tickets have to be balanced. If Andrew-Simon can successfully deflect that, another Republican name likely to surface will be State Sen. Teresa Lubbers, R-Indianapolis.

RIOS TO HEAD FSSA: Gov.

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You can even make the case that this "financier" eclipsing the political structure really began in earnest in 1999 when Indianapolis Mayor Bart Peterson and Fort Wayne Mayor Graham Richard gained victories out of the business, not political, sectors. With the exception of Sen. Simpson and perhaps Attorney General Steve Carter, the prospects of a Statehouse "political" figure taking one of the top four ticket slots in 2004 are small.

Simon's humble origins

Simon is a member of the Democratic National Committee and owns a property management group, MBS Associates. She is married to Melvin Simon, a co-owner of the Indiana Pacers and a shopping mall magnate (Simon Property Group) as well as a former movie producer ("Porkies"). Simon donated \$67,000 to the Indiana Democratic Party in 2002, and so it's obvious why Andrew decided to join forces.

Simon, he hopes, will blunt the gender attraction of Simpson, the first credible female gubernatorial contender in Indiana history who recently picked up the influential EMILY's List endorsement and the funding that will follow. The fact that Simon has been a large donor to EMILY'S List is a counter move to Simpson's endorsement. And she brings a big purse with a fat checkbook that Andrew believes he'll need to compete with former White House budget director Mitch Daniels, the man he expects to face in November 2004.

Asked if she would open up her checkbook for the Andrew campaign, Simon answered that she will do "whatever it takes" to get the ticket elected.

She is ranked the 75th biggest donor to federal candidates in 1999-2000 and was the fifth largest donor in Indiana. Mother Jones magazine reported in 2000, "Earlier in the year, the Simons did their best to help the Democrats survive by hosting a fundraising luncheon at their 40,000-square-foot estate in Manalapan,

Florida. The event, which featured President Clinton as speaker, raised \$450,000 for the Democratic National Committee. Only a month before, the Simons hosted a \$1,000-per-person dinner to raise money for Hillary's Senate campaign."

Simon's MBS bio refers to her as "a renaissance woman." Mother Jones reported, "Indeed, on federal election records, Bren refers to herself variously as owner, president, interior designer, home-maker, volunteer, philanthropist, and political consultant."

At noon today, Simon presented herself as a girl raised on an Arkansas farm, a widow at age 21 with \$40,000 in medical debts, and a single mother who had worked at a Dairy Queen in Little Rock. "That's where I learned everything I needed to know about business," Simon said at the IBEW Apprentice Training Center in Indianapolis. In the pre-Warren Buffett era of Dairy Queen, "They taught us to take the order at the service window. You make the product the customer wants. You package the product. You deliver it to the customer. You take the payment and, most important, you say 'thank you.'"

Simon moved to Lafayette in 1965, took a job as a secretary at Purdue University, worked for Southwest Bell and was an organizer for the Communications Workers of America, married Mel Simon in 1972 and raised five children. She ran Corporate Design Associates until 1995, employing 15 people.

All of this is an utter, sharp departure from previous LG or even gubernatorial candidates, none of whom ever have approached what could be considered "celebrity" status. Nominees such as Rock, Murray Clark, Robert Orr and O'Bannon were creatures of the Statehouse and local politics. In 1992, GOP nominee Linley Pearson went for the money when he chose Vincennes businessman Bob Green as his running mate.

These past figures will pale in comparison to the amount of money --

A dash of *terpsichorean* haze in Indiana politics

Here's what the *New York Social Diary.com* wrote on a Bren Simon bash:

"Two weeks ago, on April 5th, in another part of the hemisphere, there was a big Caribbean moon over the Dominican Republic, as private jets from all over the world flew in for Bren and Melvin Simon's Moroccan ball and Alfie Fanjul's Sugar Golf Tournament.

"The ball was held at the Simons' sprawling seaside villa Casa Luna in Casa de Campo. Casa Luna was originally built by filmmaker Dino de Laurentis for his beautiful wife, the great Italian movie star, Sylvana Mangano. Mrs. Simon, according to friends, spent a full year working on the party. The tents, the china, the silver, the glasses, the candelabra, and traditional Moroccan uniforms for the waiters and the orchestra, were all made in Morocco and shipped to Casa Luna.

"**Mrs. Simon, wearing a magnificent** turquoise beaded Moroccan, and her husband welcomed each of the 500 guests as they arrived at Casa Luna in full Moroccan costume. The dancers from the National Ballet of the Dominican Republic entertained with a stunning performance. The Simons' houseguests were: Rene and Dr. Mason Goodman from Indianapolis, George Hamilton, (who has a golf villa at Casa de Campo), Jim Budden, Pete and Alice Dye (Pete is one of the most famous designers of golf courses in the world), sugar heiress Carmen Tonnani from Brazil, and Bren Simon's daughter Tamme McCauley and her fiancée Mark Eglington. Also attending the festivities, His Grace, the Duke of Marlborough, who left on Saturday for London and the funeral of the Queen Mother; Baron Thierry Van Zuylen, Princess Maria Pia de Bourbon and Prince Michel de Bourbon, Ann and Billy Hamilton, Patricia Sernet, and the beautiful Annie Dush, looking magnificent in a beaded pink silk number.

"**They were all staying with Alfie Fanjul.** According to eyewitnesses, when Annie — who is Cuban and lives in Miami — and Alfie — who is also Cuban and lives in Palm Beach — danced themselves into in a *terpsichorean* haze, everyone stopped and watched. For those who aren't even duffers and are allergic to the links, there was always the poolside, or a cruise on the Simons' 168-foot motor yacht, the *Tu Manu*." ❖

Hoosier, national and perhaps even international -- that could come spilling into the Andrew campaign.

Some are speculating that Andrew made his move for a ticket now in order to best position himself for the Democratic nomination. But how will it play in the general election? Already, Andrew is attempting to draw a sharp departure from the Bayh-O'Bannon-Kernan era (*see Aug. 7 edition of HPR: "Andrew sets a different course from Bayh."*).

He is becoming more aggressive on public policy issues, calling for a constitutional convention. When HPR asked Andrew and Simon if she would be presiding over the Senate on a daily basis,

Andrew explained, "While there are constitutional requirements, the job is ultimately defined by the governor and that will be to do whatever it takes to create jobs. My feeling is the lieutenant governor should open the Senate, close it and break ties."

And the Hoosier political culture that has had everything from the Evansville Nut Club, to South Bend's Democratic Westside Club on Dyngus Day, to Rex Early's hog nut roasts, to Nancy Irsay's party barn stand likely will pale in comparison to the dash and pizzazz Bren Simon will bring to the mix.

She is a socialite who throws lavish parties in Carmel and the Dominican

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Frank O'Bannon announced today that Pat Rios, his deputy chief of staff and legislative director, will become secretary of the Family and Social Services Administration, replacing John Hamilton, who has been secretary since May 2001. Hamilton has informed the governor of his desire to leave FSSA around Oct. 1. Rios will begin working with Hamilton to ensure a smooth transition. "Pat Rios has been a trusted and able member of my staff, someone on whom I have relied on many occasions," O'Bannon said. "Those qualities, as well as her extensive background in human services and her strong belief that government should serve as a safety net for the people who need one, make her the appropriate choice to head FSSA.

LUTZ, SAUNDERS CALL FOR MOVE AWAY FROM PROPERTY TAXES: Most East Central Indiana lawmakers are not ready to overhaul Indiana's property tax system again based on the few tax bills that have gone out (Rick Yencer, Muncie Star Press). "Before we cry wolf, we have to look at the overall picture in the state," said Rep. Tiny Adams, D-Muncie. Rep. Jack Lutz, R-Anderson, who voted against the 2001 tax

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restructuring bill, disagreed. Lutz said the state still needed to move away from property taxes as the primary source of funding for local government and schools. "I said this would not only be a tax increase for property owners, it would be a tax increase statewide on sales," Lutz said. Rep. Tom Saunders, R-Lewisville, said some counties like Hamilton and Boone were able to keep taxes low because of new growth that raised property assessments. "I am not one of the legislators that wants to create new exemptions and deductions," said Saunders, a former Henry County assessor. "If we do anything, we need to look at how to fund services and whether it is fair for property owners to pay for everything."

GREGG NEW PRESIDENT OF VU: The Vincennes Board of Trustees today named former House Speaker John R. Gregg to the post of Interim President of the University (HPR). In announcing the appointment, Board chair Rod Morgan praised Gregg's leadership abilities and civic accomplishments. "We are indeed fortunate that a man such as John Gregg - with his superior credentials and public service to the State of Indiana and to Knox County - has agreed to assume the helm at VU during this important

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Republic, attracting the likes of the Duke of Marlboro, former President Bill Clinton and actor George Hamilton. Simon is fodder for David Patrick Columbia's New York Social Diary.com (see page 3).

On Thursday, Andrew was asked by the guardians of conventional wisdom (Jim Shella and Mary Beth Schneider) about a running mate coming from the same county as the candidate. "I am running an unconventional campaign," Andrew said of what is thought to run against political logic. "Political logic has caused a lot of problems in this state."

Simon said she had told Andrew she would "do whatever he needed" to be elected governor. When she and Andrew met to discuss issues, the candidate said it dawned on him that Simon was the perfect running mate.

But it took about two weeks for Simon to decide to accept the job.

Reporters said that Simpson was already preparing opposition research saying Simon didn't attend many Democratic National Committee meetings and had donated money to Republicans. "I don't often contribute to Republicans," she responded. "I vote for the individual, not the party."

As for her DNC position, Simon explained, "I serve on the board of advisers. I'm a good Democrat. I show up when I need to show up. I vote when I need to vote."

Dangerous period for Simpson

Simpson, now facing two prodigious fundraisers with a national base, had a calm demeanor and a steely veneer when she met with supporters and HPR at the Working Man's Pub on Belmont Avenue on Indianapolis's blue collar near West Side.

"This is the first major personnel decision by Joe Andrew in which he's saying this is the most qualified person to lead economic development, preside over the Senate, be the commissioner of agriculture, and be a heartbeat away from the

governor's office. The voters will have to determine whether he's right." Simpson, who said she does not know Bren Simon very well, explained of her own future decision on LG, "What I hope is we put forward the best qualified ticket, regardless of gender or race."

While Andrew and Simon were making waves with a statewide fly-around, Simpson was attending meetings of the State Budget Committee in Lake County, talking about juvenile justice issues and worker retraining.

Simpson is facing the most dangerous period of her candidacy thus far. She is now facing two well-heeled opponents with national fundraising bases, instead of one. Andrew is poised to bring more than 500 union activists to the Indiana Democratic Editorial Association convention at French Lick next week, where he will "win" Chairman Joe Hogsett's straw poll, one that Simpson has already said she will not participate.

She faces an opponent who will present an aura of momentum and unity at the party's most important gathering of the year, while the perception is that her finances lag behind Andrew's.

What the Simpson campaign needs to do is either blunt some of Andrew's momentum at French Lick, lest those attending spread the word near and far that Andrew could be unbeatable.

It will be important for Simpson to show her own momentum whether it's releasing money figures or putting her own ticket together, perhaps on the eve of French Lick.

As for her ability to wage a campaign that is still nine months in the offing, Simpson said, "We will have a budget that allows us to wage a campaign plan for the primary and general election. We're right on target. I am not swayed or distracted by the other campaign." ❖

Pastrick survives another challenge

By **BRIAN A. HOWEY**

The East Chicago mayoral primary is finally over and Mayor Robert Pastrick will get his ninth term.

But how damaged is the mayor?

LaPorte Judge Stephen E. King declared that the East Chicago Democratic primary was a "textbook example of the chicanery" that comes with the absentee voting system.

King's ruling noted the "deliberate series of actions perverted the absentee voting process and compromised the integrity and results of the election." But the 155 votes that King threw out due to fraud weren't enough to overturn his 278-vote May 6 victory over Councilman George Pabey (Michael Puente, *Post-Tribune*).

"We are going to go for an appeal. This is not over with. We believe we showed mass vote fraud," Pabey said.

Pastrick said he was "elated and very pleased. I'm happy that it's all over and done with and we can get down to business. It was a very stressful time." Pastrick added, "I just put my faith in the judge and faith in the system. The system is still the best there is."

Former judge and state senator Lonnie Randolph, who finished third, said that Pastrick is tainted. "There is no way he can go around proudly saying 'I won the election.' He won but he had to cheat to win. There's nothing in this decision for him to be proud of at all" (*Post-Tribune*).

Carter will probe

Still hanging over the courtroom drama is Lake County Prosecutor Bernard Carter's decision to turn evidence collected for the trial to a grand jury. Carter told the *Times of Northwest Indiana*, "The decision by King doesn't affect the grand jury investigation. We will proceed consistent with what we had outlined previously with state police being involved and

the matter being presented to the grand jury by Deputy Bob Neumaier.

Additionally, we have been provided a copy of the judge's ruling and we are reading it."

And through it all, there was the perception that this was simply the way business is done in Lake County politics.

Lake County Democratic Chairman Stephen Stiglich, who lost a controversial 1999 primary battle to Pastrick, said he hopes Carter's investigation will send the message that "if you think you can break the law and crime pays and you can get away with it, well, that's not going to happen" (*Times of Northwest Indiana*). The problem with that is that it really did happen to Stiglich in 1999.

"When you think about the process as a whole and the amount of people who voted in this primary (10,177 in East Chicago), you are talking about 1 percent that was questionable," Stiglich told the Times. "What do you do, disenfranchise the other 99 percent of the people who vote? I think when you look at it with the wide angle lens, you start to see nothing is perfect. Even if we didn't have absentee ballots, we have had situations in years past where people would walk in and vote for somebody who wasn't a real person. Fraud is going to be there as long as we have people."

So the next key battle for Pastrick, the teflon mayor, is whether Prosecutor Carter can snare him in a criminal vote fraud case.

He received additional fodder after the trial's testimony when the *Post-Tribune* reported that the East Chicago police chief, who lives in Munster, voted in the East Chicago primary. The *Post-Tribune's* source for that additional bit of fraud was State Rep. John Aguilera, who himself is under fire for living outside of his legislative district.

Nothing like Lake County politics. ❖

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period," said Morgan. Gregg's appointment follows the July 7 resignation of Bryan K. Blanchard, who stepped down to accept employment as President of Berkshire Community College in Pittsfield, Massachusetts. "I can think of no greater honor than to serve my alma mater in this manner," Gregg said. "It is a unique privilege and, simultaneously, a tremendous opportunity for me to do all I can to assist Vincennes University in attaining the recognition it so rightfully deserves. Vincennes University is not only the oldest college in Indiana, it is the flagship of Indiana two-year colleges?we have a proven 200-year track record of success in higher education," Gregg continued. "VU leads the way in producing graduates who come from Indiana and then stay here - contributing to our economy after they graduate."

CHOCOLA BEGINS ACCEPTING NRA MONEY: U.S. Rep. Chris Chocola changed his mind about accepting the National Rifle Association's money. When he was running for Congress in 2000, the Republican from Bristol told the *South Bend Tribune*, "I won't accept their money." On Tuesday, he said, "I've always been supportive of the NRA. I'm a Second Amendment supporter." He

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didn't take money from the organization until this March, when the NRA contributed \$2,500 to his election committee. In April, the NRA Political Victory Fund gave an additional \$1,000. Chocola said Tuesday the fact that he wasn't taking NRA money confused people about his support of the organization (Marshall V. King, Elkhart Truth).

WALTZ VOTES AGAINST NEW JOHNSON COUNTY VOTING SYSTEM: Punch cards are a relic of the past for Johnson County voters, who can expect to use new computerized touch-screen terminals when they cast their votes in November (Scott Hall, *Johnson County Daily Journal*). County Clerk Brenda Jones-Matthews plans to set up machines soon at public sites such as libraries so residents can test the new equipment in advance. Although local elections have drawn few complaints, the Johnson County Council voted Monday to purchase the new voting equipment to meet new state and federal requirements, prompted by the contested 2000 presidential election. The council vote was 5-2, with members Brent Waltz and Paul Reed dissenting. Waltz questioned the need for new equipment, suggesting that state and federal officials had no right to force such spending by local govern-

2003 Racing Form

Trendline: Senate Finance Chairman Lawrence Borst, one of the key architects of last year's property tax restructuring plan, said he has heard very few complaints from constituents in the Johnson County portion of his district (Bryan Corbin, *Johnson County Daily Journal*). Complaints instead have come from owners of 50-year-old homes in Homcroft in Marion County, he said. Borst attributes the increase in their property tax bills to increases in spending by Indianapolis city government, libraries and school systems, not to the restructuring. "In Marion County, if they'd just been reassessed with no increase in the budget, half (of homeowners) would have paid less and half would have paid a little more," said Borst. In Johnson County, property taxes actually decreased for 63 percent of the county's 35,543 houses, though it increased or remained about the same for the rest. Of the 12,207 houses where property taxes increased, most rose by less than 30 percent.

HORSE RACE

2003 Indiana Mayoral Races

East Chicago Mayoral: Republican: None. Democrat: Mayor Robert Pastrick, Councilman George Pabey. **1999 Primary Results:** Pastrick 5,772, Stephen Stiglich 3,790. **1999 General Results:** Pastrick (D) 3,027, Acost (R) 629. **2003 Forecast:** Pastrick wins his ninth term. If he can avoid an indictment and trial on vote fraud charges, expect a 10th term in 2007. **Court Status:** *PASTRICK WINS.*

Evansville Mayoral: Republican: Mayor Russell Lloyd Jr.. Democrat: State Rep. Jonathon Weinzapfel. **1995 Results:** McDonald (D) 19,162, Frary (R) 9,565. **1999 Results:** Lloyd (R) 15,980, Borries (D) 15,461. **2003 Forecast:** We sense that the Lloyd campaign is beginning to flag and are moving this race into the "Leans Weinzapfel" category. Part of it is due to the anti-incumbency we feel around the state. The gubernatorial candidates we've talked to are telling us the same thing. That's not good news for Lloyd, even though he has presented a civic budget that will reduce the tax rate. Evansville businessman Steve Chancellor, who has hosted political fund-raisers with some of the Republican Party's biggest names, is now helping Democrat Jonathan Weinzapfel's mayoral campaign (John Martin, *Evansville Courier & Press*). Weinzapfel said Chancellor and Evansville attorney Paul Wallace will be co-hosts of an Aug. 21 fund-raiser for Weinzapfel's mayoral bid. Sen. Evan Bayh, D-Ind., will be a featured guest at the event at Wallace's home. "Sen. Bayh had committed to come in for a fund-raiser, and we were looking for some folks to help host it," said Weinzapfel, who is challenging first-term Lloyd said Tuesday that Chancellor "has supported me in the past. It's disappointing, but he's certainly free to support whoever he chooses in the mayor's race." Chancellor also "has a good relationship with Sen. Bayh," Lloyd added. Chancellor has donated to some Democratic candidates in the past, but he is best known for assisting Republicans. In July 2000, Chancellor hosted a star-studded event at his Vanderburgh County home for the national GOP. Guests included former President George Bush, former Vice President Dan Quayle and retired Gen. Norman Schwarzkopf. The evening raised more than \$1.4 million. **General Status:** *LEANS WEINZAPFEL.*

Fort Wayne Mayoral: Republican: Linda Buskirk. Democrat: Mayor Graham Richard. **1995 Results:** Helmke 21,909, Essex (D) 11,033, Kempf (L) 1,029. **1999 Results:** Richard (D) 21,607, Buskirk (R) 21,531. **2003 Forecast:** Ditto here. While our Democratic sources are saying that Richard's poll numbers are beginning to bounce back, we also detect that the anti-incumbency backdrop is hurting Richard. It didn't help that Lincoln National announced it would be cutting 800 jobs, including some in Fort Wayne, which was once home to its headquarters. The mere fact that voters were reminded of that major corporate loss isn't good news

for Richard. With regard to both Mayors Richard and Lloyd, just because we have moved both these races out of the tossup zone doesn't mean they won't end up back there in the next couple of months. Both of these races could be tight down the homestretch. **General Status:** *Leans Buskirk.*

Indianapolis Mayoral: Republican: Treasurer Greg Jordan. **Democrat:** Mayor Bart Peterson. **1995 Results:** Goldsmith (R) 64,209, Jimison (D) 39,539, Dillon (L) 7,175. **1999 Results:** Peterson (D) 102,870, Gilroy (R) 83,044, Horning (L) 7,772, Gibson (OP) 2,145. **2003 Forecast:** Jordan unveiled accountability measures aimed at providing the mayor and the city-county council with more authority to control tax increases. Jordan was joined by State Sen. Teresa Lubbers and State Rep. Michael Murphy, both who have agreed to sponsor some of the accountability and property tax relief measures announced by Jordan (*HPR*). "The tax disaster facing Indianapolis didn't have to happen. Some of the problem is due to reassessment, but skyrocketing local spending added to the misery of homeowners. The accountability proposals I am advocating today will give the Mayor and the Council significant new authority to control local spending," said Jordan. **General Status:** *Likely Peterson.*

Kokomo Mayoral: Republican: Matthew McKillip. **Democrat:** Councilman Andrew Castner. **Independent:** Cindy Dunlap. **1999 Results:** Trobaugh (R) 5,606, Kennedy (D) 3,581. **2003 Forecast:** Marion County residents may be ready to have a Boston Tea Party-style tax revolt, but don't look for the same level of exasperation in Kokomo (Scott Smith, *Kokomo Tribune*). Judging from the almost total lack of howling taxpayers, Howard County officials had already guessed the recent reassessment hadn't been particularly hard on most local homeowners. That guess was confirmed in recent days, as an Indiana General Assembly survey revealed that the average Howard County homeowner saw their tax bill fall by \$23. That's a far cry from the very different situation in Indianapolis, where the average homeowner was hit with an \$84 increase. State Sen. Larry Borst who heads up a legislative study committee on the effects of the court-ordered reassessment, said Friday that it was too early to tell how the entire state had been affected. At the same time, Borst was already calling the situation in Marion County "an anomaly," due to the large number of older, well-maintained homes in certain areas of Indianapolis. "We knew that most homeowners would get a big reduction in their property taxes," Borst said. "Right now, people are getting more of a property tax reduction than they had to pay out on the 1 cent increase in sales tax." **General Status:** *TOSSUP.*

Muncie Mayoral: Republican: Mayor Dan Canan. **Democrat:** Dennis Tyler. **1995 Results:** Canan (R) 9,718, Carey (D) 6,521. **1999 Results:** Canan (R) 7,973, Smith (D) 5,611. **2003 Forecast:** About 200 people lined up along Broadway on Saturday, before a thunderstorm swept through Muncie, to show support for renaming the street after Martin Luther King Jr. (Rick Yencer, *Muncie Star Press*). "This is not a protest," said Aamir Shabazz, a local Muslim leader. "This is a line of unity." Many motorists waved and honked in support as they drove by. Dozens of people stood in support across the street in McCulloch Park, the scene of the Muncie Homecoming Festival. "I believe in what you are doing," one man shouted as he drove past. College administrator Gregory Williams and former football star Dave Duerson stood in the line and spoke to the crowd before the demonstration. "We realize renaming this Martin Luther King, Jr. Boulevard is not going to solve all the problems," said Williams, president of City College of New York. "It is a symbol of the right thing to do." Mayor Dan Canan was at the Summer Heat Festival on Saturday and did not come to the demonstration. "We appreciate that it was a peaceful protest," the mayor said. **General status:** *Likely Canan.*

- Brian A. Howey in Indianapolis ❖

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ments. In January, the county will make the first of seven annual payments of \$390,015 to cover the balance and interest on the \$2.42 million purchase price.

CURLEY PROMISES 'TWO PARTY SYSTEM' OUT OF THE ASHES: Republican Lake County Chairman John Curley said: "For politics in general, its going to turn everyone off worse than they are now (Dolan, Times of Northwest Indiana). "People are so turned off, they almost don't want to read about, and this goes for Schererville and any part of Lake County. We are past the overzealous campaign worker, we are into (a system of) 'If you work for me, this is what you have to get done.' Absentee ballots are needed, but now it is becoming a political source to keep somebody in power. The Legislature should stop it." Curley said he believes disillusionment will turn to outrage after property taxes rise next year and he hopes that will be a plus for his beleaguered party. "The Republicans are coming out of the ashes to offer a two-party system."

APPEALS COURT RULING NEGATES O'BANNON VETOES: A sweeping appeals court ruling Wednesday on Gov. Frank O'Bannon's veto powers could mean scores of long-

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forgotten bills vetoed years ago would become law, say his top aides (Kevin Corcoran, Indianapolis Star). The governor wants the Indiana Supreme Court to reverse the ruling, which overturned his 2-year-old veto of a bill aimed at saving Indiana nursing homes from Medicaid payment cuts, O'Bannon spokeswoman Mary Dieter said. The ruling is a blow to the governor, who has had vetoes of several spending bills overturned by simple-majority votes in the Indiana House and Senate since 2001.

HOOSIER RUNNING FOR PRESIDENT: Bill Pearman's campaign for the White House is part motivational exercise, part policy debate and part -- a big part -- dream (Pete Ciancone, Terre Haute Tribune-Star). Frustrated by the lack of participation in politics, worried about where the nation is heading, and fed up with the prominence money plays in modern elections, the Clinton resident announced his bid for the Democratic Party nomination for president Tuesday outside a storefront on Terre Haute's north side. "If I can wake up enough people to get involved to change something, then maybe I've done something," he said. ❖

COLUMNISTS ON INDIANA

Bob Caylor, Fort Wayne News-Sentinel - Worried about your property taxes going up? Looking for someone to blame? Indiana House Speaker B. Patrick Bauer, D-South Bend, has identified the culprit. The Indiana Supreme Court. In a press conference last week, Bauer said that the Supreme Court made such a mess of its decisions on property-tax assessment that it should have addressed "the massive shift of taxpayer responsibility" and ought to monitor the impact. The implication, of course, is that the court ought to find a way to calm all those taxpayers who are upset with the General Assembly. Bauer, famous for his fuming and blustering outbursts, is terribly wrong on this one. Let's start with whose "fault" the reassessment is. No matter how much Hoosiers want accountability, there's no culprit who ought to bear all the blame. The old system of assessing property -- which favored older, costlier homes by including large deductions for depreciation -- was a bad system. Now property owners across the state will suffer as it's replaced with a fairer system. In spite of the inconvenience and expense counties shoulder in this reassessment, the new system is at its heart more sensible. Its goal is to base tax assessments on the market value of property. That's as fair as property tax can be; the tax paid on assets is directly proportional to the value of those assets. The most important decision came from the Supreme Court in 1998. That's when Gov. Frank O'Bannon and the General Assembly could have started restructuring the state's tax system. But neither branch bent to the inevitable and got to work. Instead, they waited until, yes, later than the last minute. No, no one need take all the blame for making reassessment as rocky a transition as it is. But Gov. O'Bannon could have pushed the unpleasant duty of tax restructuring before

he did. State legislators wrote the web of new laws reworking the tax system. And because most of them, but not O'Bannon, will stand for re-election, the grief they're getting from property owners is their due.



Cam Carter, Indianapolis Eye -

Legislators will watch election returns carefully this fall and act accordingly in the next session. Already, Speaker of the House Pat Bauer has said, "We're probably going to have to do something, referring to property tax increases. Rather than explain a complex issue to an irate public, Bauer and the legislators he leads will be tempted to take actions that seem to help, but actually hurt. They will be under immense pressure to provide further tax relief to individual property and homeowners under extremely tight fiscal conditions. With public finance a zero-sum game, the state's main technology clusters -- information technology, advanced manufacturing, the life sciences and distribution logistics -- and the businesses that comprise them will make appealing targets. Tax reforms made in one year may be taken away in the next. Without a unified and active voice on behalf of technology businesses, recent tax and economic development reforms could be washed away in a rising political tide. Technology is a powerful force that can transform Indiana for the better. It's crucial that technology businesses and entrepreneurs have the tools necessary to be competitive in and outside of our state. Legislation, public policy and state investments have a significant, if not critical, impact on our budding technology community. Our economic future and, indeed, the future prosperity of our state depend upon it. ❖